



**Office of the Attorney General
Robert E. Cooper, Jr.**

**Department of Commerce and Insurance
Commissioner Leslie Shechter Newman**

NEWS RELEASE

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FOR IMMEDIATE RELEASE

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**EAST TN COURT TEMPORARILY HALTS ALLEGED ENVELOPE-STUFFING
SCHEME OPERATING IN KNOXVILLE**

A Knox County Chancellor has granted the State Attorney General's request to stop Knoxville resident Payton Abernathy from marketing and promoting his "make money from home envelope stuffing" business opportunity to consumers.

Tennessee Attorney General Bob Cooper, on behalf of the Tennessee Division of Consumer Affairs, sued Payton Abernathy, individually, and his various "make thousands stuffing envelopes" businesses. The complaint alleges the defendant promoted his unlawful businesses on the Internet and in classified ads, under at least seven different names: Peyton Enterprises, Global Mail Marketing, Make Money Stuffing, PC Enterprises, American Mail Marketing, Freedom Marketing, and www.mailingprogram.com. All seven businesses are named defendants.

The complaint alleges Abernathy and his businesses used unfair and deceptive ads promoting an alleged work-at-home opportunity to "make thousands of dollars. Guaranteed!" The consumers had to send a "one-time" registration fee to receive the "business package" which usually never arrived. If it did arrive, the consumer learned for the first time that he or she would have to spend his or her own money to place ads - ads for the defendants - and would have to participate in a chain referral marketing plan. So far, 236 consumers have complained about

these companies, but State officials said there are likely other victims who have not yet complained to the State.

Based on affidavits, live testimony and applicable law, the Chancellor has ordered Payton Abernathy to pay a cash bond to the State in the amount of \$8,000 as security for restitution should the Chancellor order restitution for consumers after the trial. If Abernathy fails to pay the cash bond, all of Abernathy's business assets in bank accounts in the various business names he used are frozen pending the final court hearing. A trial has been set for Aug. 22, 2007. Meanwhile, the defendants are prohibited from promoting or engaging in any aspect, whatsoever, of their envelope stuffing businesses. The Court also appointed a Receiver to preserve and maintain all of the defendants' business records.

"We are pleased with the Court's decision and hope this enforcement action will help stop unlawful work-at-home schemes," said Attorney General Bob Cooper.

"This result is excellent, especially in light of all of the business names and numerous addresses allegedly used by Mr. Abernathy to accomplish the unfair and deceptive scheme," said Mary Clement, Director of the Division of Consumer Affairs.

Anyone who may have purchased a "business opportunity" or "work at home opportunity" from the defendants in this or any other similar case may file a complaint through the Tennessee Division of Consumer Affairs at 1-800-342-8385 (toll-free within Tennessee) or (615) 741-4737. Consumers can also file complaints regarding any consumer matter by calling these numbers. Complaints can also be filed online at www.state.tn.us/consumer.

For more information on the lawsuit and the court's ruling, please visit the Tennessee Attorney General's website at www.attorneygeneral.state.tn.us. Simply click on "Office Information" and then "Cases of Interest" to reach the link to the Payton Abernathy court documents.